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No. 80-1663

IN THE

Supreme Court of the United States

OCTOBER TERM, 1981

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, LOCAL 799, INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, and T. W. GLEASON, Individually and as he is President of International Longshoremen's Association, AFL-CIO, and H. R. HASSELGREN, Individually and as he is Secretary-Treasurer of International Longshoremen's Association, AFL-CIO and N. J. BOWERS, Individually and as he is Executive Vice President of International Longshoremen's Association, AFL-CIO and F. R. FIELD, JR., Individually and as he is General Organizer of International Longshoremen's Association, AFL-CIO and A. SCOTTO, Individually and as he is Regional Director of International Longshoremen's Association, AFL-CIO and J. T. MOOCK, Individually and as he is First Vice President of International Longshoremen's Association, AFL-CIO and R. A. MASSEY, Individually and as he is Second Vice President of International Longshoremen's Association, AFL-CIO and G. W. DIXON, Individually and as he is Third Vice President of International Longshoremen's Association, AFL-CIO and W. P. LYNCH, Individually and as he is Fourth Vice President of International Longshoremen's Association, AFL-CIO,

Petitioners,

v.

ALLIED INTERNATIONAL, INC.,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

JOINT APPENDIX

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PETITION FOR CERTIORARI FILED APRIL 3, 1981
CERTIORARI GRANTED OCTOBER 5, 1981

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District Court Docket Entries

UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF MASSACHUSETTS

ALLIED INTERNATIONAL, INC.,

Plaintiff,

VS.

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, *et al.*,

Defendants.

DATE	PROCEEDINGS
3–31–80	Complaint filed. Motion for preliminary Injunction filed. Motion for consolidation filed.
4– 1–80	National Labor Relation opposition to consolidate filed.
4– 2–80	Case referred to Magistrate ..... on motion 03.
4– 3–80	Pltf' memo in support of motion for preliminary Injunction filed.
5– 2–80	Deft's motion to quash service & dismiss filed.
5– 7–80	Affidavit of Herzl Eisenstadt filed.
5– 8–80	Affidavit of Joseph Doyle filed.
5– 9–80	Deft's memo in support of motion to dismiss filed.
6– 2–80	Deft's cross motion to dismiss filed.
6– 2–80	Affidavit of Thomas Gleason filed.

District Court Docket Entries

DATE	PROCEEDINGS
6- 2-80	Deft's memo in opposition to motion for Preliminary Injunction filed.
6- 2-80	Supplementary memo in support of pltf's motion for Preliminary Injunction filed.
6- 2-80	Pltf's opposition to deft's motion to dismiss filed.
6-17-80	SKINNER, D.J. MEMORANDUM AND ORDER Preliminary Injunction DENIED /c/c/cl
6-25-80	Notice of Appeal filed w/ cert. of service and filing fee.
7-15-80	Certified copy of docket entries and original pleadings forwarded to the Court of Appeals.
7-24-80	Steno Transcript of 6/6/80, filed.
7-28-80	Sten transcript of 6/6/80 sent to Crt. of Appls. under supplemental certificate.

Court of Appeals Docket Entries

UNITED STATES COURT OF APPEALS

FOR THE FIRST CIRCUIT

ALLIED INTERNATIONAL, INC.,

Plaintiff-Appellant,

VS.

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, *et al.*,

Defendants-Appellees.

DATE	PROCEEDINGS
1980	
6-26-80	Copy of Notice of Appeal with district court docket entries received and filed and case docketed.
6-30-80	Appearance of Joseph T. Doyle, for appellee, received and filed.
7- 7-80	Appearance of Ernest L. Matthews, Jr., Esquire for International Longshoremen's Association, AFL-CIO, Appellees received and filed.
7- 8-80	Appearance of Duand R. Batista, Esquire for appellant received and filed and Docketing Statement pursuant to Local Rule 8(a) received and filed.
7-16-80	Record on appeal in one volume, received and filed. Notices mailed.

Court of Appeals Docket Entries

DATE	PROCEEDINGS
7–16–80	Motion to consolidate appeal with case no. 80-1330, and opposition thereto, filed. Order (Coffin, Ch.J.) denying said motion to consolidate. Notices mailed.
7–17–80	National Labor Relations Board's Opposition to the Motion for Consolidation of Appeals and to the Alternative Motion for Filing of a Brief and Participation in oral argument received and filed.
7–28–80	Supplemental certificate consisting of transcript, filed.
8–18–80	Motion filed. Order (Bownes, J.) granting leave to appellant to file an addendum to its brief. Notices mailed.
8–20–80	Brief for appellant, addendum to brief, and appendix filed. Notices mailed.
9–16–80	Brief for appellee, and addendum under FRAP Rule 28(f), filed by leave of court, received and filed.
9–22–80	Reply brief for appellant, filed.
9–29–80	Assigned for hearing at the October, 1980 session.
10– 6–80	Appearance of Duane R. Batista, for appellant, received & filed.
10– 8–80	Heard by Aldrich, Campbell & Bownes, J.J.
1981	
1– 6–81	Judgment: The district court's dismissal of Count I of the Complaint is vacated and the

Court of Appeals Docket Entries

DATE	PROCEEDINGS
	case is remanded for further consideration of Allied's prayer for damages and preliminary and permanent injunctive relief; and The district court's dismissal of Counts II and III of the Complaint is affirmed. One half costs to appellant. Opinion of the Court by Campbell, J., concurring and dissenting opinion by Aldrich, J. Notices mailed.
1–16–81	Itemized and verified bill of costs received and filed. Notices mailed.
1–27–81	Mandate issued, copy filed. Original papers returned to the district court. Notices mailed.
4–23–81	Notice of filing petition for certiorari (80-1663) Apr. 3, 1981.
5–22–81	Notice of filing petition for certiorari (80-1906) May 5, 1981.
8–24–81	Certified copy of proceedings sent to Supreme Court. Notices mailed.

Complaint

UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF MASSACHUSETTS

Civil Action No. 80-584-S

ALLIED INTERNATIONAL, INC.,

Plaintiff,

v.

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, LOCAL 799, INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, and T. W. GLEASON, Individually and as he is President of International Longshoremen's Association, AFL-CIO and H. R. HASSELGREN, Individually and as he is Secretary-Treasurer of International Longshoremen's Association, AFL-CIO and N. J. BOWERS, Individually and as he is Executive Vice-President of International Longshoremen's Association, AFL-CIO and F. R. FIELD, JR., Individually and as he is General Organizer of International Longshoremen's Association, AFL-CIO and A. SCOTTO, Individually and as he is Regional Director of International Longshoremen's Association, AFL-CIO and J. T. MOOCK, Individually and as he is First Vice President of International Longshoremen's Association, AFL-CIO and R. A. MASSEY, Individualy and as he is Second Vice President of International Longshoremen's Association, AFL-CIO and G. W. DIXON, Individually and as he is Third Vice President of International Longshoremen's Association, AFL-CIO and W. P. Lynch, Individually and as he is Fourth Vice President of Longshoremen's Association, AFL-CIO,

Defendants.

Complaint

PRELIMINARY STATEMENT

1. This is an action alleging violations of the Labor Management Relations Act of 1947, Section 303 which deals with secondary boycotts, admiralty torts of interference with existing and prospective advantageous contractual relationships and violations of the Sherman and Clayton Antitrust Acts with respect to defendant labor organizations' boycott of Russian cargo in which plaintiff seeks injunctive relief prohibiting the continuation of such boycott, and appropriate damages for the resultant effect it has had on plaintiff's business.

THE PARTIES

2. Plaintiff, Allied International, Inc. (hereinafter "AIC") is a Massachusetts corporation with its principal place of business in Charlestown, Massachusetts, engaged in the business of importing hard board and birch plywood from the Union of Soviet Socialist Republics (hereinafter "Russia") and selling these products to manufacturers and wholesalers in the United States of America.

3. Defendant, International Longshoremen's Association, AFL-CIO (hereinafter "ILA") is a labor organization representing employees throughout the United States and Canada, including ports on the Atlantic and Gulf coasts engaged in the work of loading and unloading ocean going ships. Its principal place of business is New York City, New York.

4. Defendant Local 799 of the International Longshoremen's Association, AFL-CIO (hereinafter "Local 799") is labor organization representing employees in the Boston,

Massachusetts area, engaged in the work of loading and unloading ocean going ships.

5. Defendant, T. W. Gleason, a resident and domiciliary of New York, is being sued individually and as he is President of International Longshoremen's Association, AFL-CIO.

6. Defendant, H. R. Hasselgren, a resident and domiciliary of New York, is being sued individually and as he is Secretary-Treasurer of International Longshoremen's Association, AFL-CIO.

7. Defendant, N. J. Bowers, a resident and domiciliary of New York, is being sued individually and as he is Executive Vice President of International Longshoremen's Association, AFL-CIO.

8. Defendant, F. R. Field, Jr., a resident and domiciliary of New York, is being sued individually and as he is General Organizer of International Longshoremen's Association, AFL-CIO.

9. Defendant, A. Scotto, a resident and domiciliary of New York, is being sued individually and as he is Regional Director of International Longshoremen's Association, AFL-CIO.

10. Defendant, J. T. Moock, a resident and domiciliary of New York, is being sued individually and as he is First Vice President of International Longshoremen's Association, AFL-CIO.

11. Defendant, R. A. Massey, a resident and domiciliary of New York, is being sued individually and as he is Second

Vice President of International Longshoremen's Association, AFL-CIO.

12. Defendant, G. W. Dixon, a resident and domiciliary of New York, is being sued individually and as he is Third Vice President of International Longshoremen's Association, AFL-CIO.

13. Defendant, W. P. Lynch, a resident and domiciliary of New York, is being sued individually and as he is Fourth Vice President of International Longshoremen's Association, AFL-CIO.

JURISDICTION

14. This Court has jurisdiction over this matter pursuant to Section 303 of the Labor Management Relations Act of 1947, 29 U.S.C. Section 187; Admiralty, 28 U.S.C. Section 1333; and the Sherman and Clayton Acts, 15 U.S.C. Sections 1 and 15.

STATEMENT OF FACTS

15. For several years prior to January, 1980, Allied purchased hardboard and birch plywood from V/O Exportles (hereinafter "Exportles"), an agency of the Russian government and had such wood transported to Boston and other Atlantic and Gulf coast ports by ships owned by Waterman Steamship Lines, Inc. (hereinafter "Waterman").

16. This wood was purchased by Allied pursuant to calendar year contracts with Exportles in which contracts Exportles committed itself to provide a given amount and kind of wood for sale to Allied at a given price at the mill in Russia.

17. The last such contract referred to in paragraph 16 above expired on December 31, 1979, and Allied is in the process of negotiating a contract for 1980.

18. Allied maintained an agency contract with Sojuzvneshtrans (hereinafter "S"), another agency of the Russian government by the terms of which contract Allied paid "S" for making certain arrangements with respect to the transportation of the wood from the mills in Russia to the ports in the United States.

19. Allied and Waterman negotiated directly the terms, including cost, of a contract for transporting the wood from ports in Russia to ports in the United States.

20. When such negotiations were completed the agreed upon terms, pursuant to agreement with "S" and Soufract, another agency of the Russian government, were incorporated in a one-year contract between Soufract and Waterman.

21. As deliveries were made by Waterman, Allied paid "S" the contract price. "S" in turn paid the contract price to Soufract who paid the same price to Waterman.

22. The last such contract referred to in paragraphs 20 and 21 expired January 31, 1980.

23. On or about January 9, 1980, defendant Gleason in the name of defendant ILA issued the following directive:

> "In response to overwhelming demands the rank and file members of the Union, the leadership of ILA today ordered immediate suspension in handling all Russian

ships and all Russian cargoes in ports from Maine to Texas and Puerto Rico where ILA workers are employed.

"This order is effective across the board on all vessels and all cargoes. Grain and other foods as well as high valued general freight. However, any Russian ship now in process of loading or discharging at a waterfront will be worked until completion.

"The reason for this action should be apparent in light of international events that have affected relations between the U.S. and the Soviet Union.

"However, the decision by the Union leadership was made necessary by the demands of the workers.

"It is their will to refuse to work Russian vessels and Russian cargoes under present conditions in the world.

"People are upset and they refuse to continue the business as usual policy as long as the Russians insist on being international bully boys. It is a decision in which the Union leadership concurs."

24. The above directive was communicated immediately to all defendants.

25. Through this directive and otherwise, defendants induced and encouraged longshoremen throughout all Atlantic and Gulf ports not to handle Russian ships or Russian cargoes, except for ships in the process of loading or unloading.

26. As a result of the conduct described in paragraph 25 above, no Russian ships or cargoes were loaded or un-

loaded in Atlantic and Gulf ports without the permission of some or all of the defendants.

27. Defendants encouraged and received widespread publicity in the national media of the above-described events.

28. On or about January 9, 1980, the Waterman ship "Walton" was in Boston unloading a portion of a shipload of wood purchased by Allied and transported by Waterman pursuant to the arrangements set forth above. After discharging a portion of this wood, the ship was scheduled to proceed to Wilmington, North Carolina; Charleston, South Carolina; and Houston, Texas to unload the remainder.

29. On or about January 9, 1980, defendant Thomas Gleason told Allied that longshoremen represented by defendant ILA and its locals would not unload the "Walton" in any port other than Boston.

30. Some or all of defendants or their agents, servants or employees told Waterman or its agents, servants or employees, that pursuant to the directive as set forth in paragraph 23, they would order longshoremen represented by them in Wilmington, Charleston and Houston not to unload any Allied wood on the "Walton".

31. Some or all of the defendant or their agents, servants or employees told Waterman that longshoremen represented by them in Wilmington, Charleston and Houston would not unload any Allied wood on the "Walton" in those ports.

32. Some or all of defendants or their agents, servants or employees told one or more stevedoring employers that pursuant to the directive in paragraph 23 above, longshoremen represented by them in Wilmington, Charleston and Houston would not unload any Allied wood on the "Walton" in those ports. This information was communicated to Waterman.

33. Waterman, upon reading or hearing of the directive as set forth in paragraph 23 above and the conduct and events described in paragraphs 23-32 above concluded that longshoremen in Wilmington, Charleston and Houston would not unload any Allied wood in those ports.

34. As a result of the directive in paragraph 23 above, and/or other communications, Waterman agreed with one or more of the defendants, their agents, servants or employees and/or one or more stevedoring employers to order that the "Walton" be totally unloaded in Boston.

35. As a result of the threat, restraint, coercion and conspiracy described in paragraphs 23-34 above, Waterman, its agents, servants or employees, over the protests of Allied, ordered the Walton to be completely unloaded in Boston.

36. On or about January 9, 1980, the Waterman ship, the "Middleton", was in Leningrad, Russia being loaded with wood purchased by Allied. The "Middleton" was scheduled to be fully loaded with such wood and was scheduled to proceed to Boston, Wilmington, New Orleans and Houston for unloading.

37. As a result of the threats, restraint, coercion and conspiracy described in paragraphs 23-34, or similar threats, restraint, coercion and conspiracy, directed specifically at the "Middleton", Waterman or its agents, servants, or employees ordered that the "Middleton" proceed from Leningrad to Montreal, Canada with only one-third of Allied's contracted for wood aboard.

38. After January 9, 1980, Exportles advised Allied that because of the directive described in paragraph 23 above, and the resultant difficulties of getting cargo originating in Russia unloaded, including the experience of the "Walton" and the "Middleton" described in paragraphs 28-34, it was reducing the amount of wood it was prepared to contract to sell to Allied from about $36 million dollars in value in 1979 to about $18 million dollars in value in 1980, and that any contract is executed must have a new clause providing that Exportles was released of any requirement to sell any wood if that wood could not be delivered in the month in which it was purchased.

39. On or about early March of 1980, the Waterman ship "Jefferson" arrived in Leningrad to pick up Allied wood and transport it back to the United States.

40. Thereafter, Waterman, through its agents, servants or employees, informed Allied that they would not transport its wood from Leningrad to the United States because of the conduct of the defendants described in paragraphs 23-36 above.

41. On or about March 13, 1980, the "Jefferson" departed Leningrad without Allied's wood.

42. On or about March 11, 1980, defendant Local 799, through its agent, Edward Connolly, told Allied that it would not unload any cargo arriving from Russia and that until further notice from defendant ILA the boycott of Russian cargoes would continue.

43. On or about March 25, 1980, defendant ILA through its agents, William Hankin and William McNamara, told Allied that until defendant Thomas Gleason ordered otherwise, defendant ILA would continue to refuse to handle Allied wood originating in Russia.

44. At no time material herein has defendant ILA or defendant Local 799 had a labor dispute with Allied, Waterman or any stevedoring company, and at all times material herein the sole and only dispute of defendants ILA and Local 799 has been with the government of Russia.

COUNT I

45. Plaintiff realleges paragraphs 1 through 44 above.

46. By the acts and conduct set forth above in paragraphs 1-44 above defendants ILA and Local 799 induced and encouraged individuals employed by Allied, or by Waterman, or by stevedoring companies operating in the port of Boston and elsewhere which are utilized by Waterman or Allied, to engage in strikes or refusals in the course of their employment to use, manufacture, process, transport or otherwise handle or work on any goods, articles, materials or commodities, or to perform services, and have threatened, coerced and restrained Waterman, Allied and stevedoring companies operating in the port of

Boston, and elsewhere, and other persons engaged in commerce or in industries affecting commerce.

47. An object of defendants' acts and conduct described in paragraph 46 above, was, and is, to force or require stevedoring companies operating in the port of Boston and elsewhere to cease doing business with Waterman and Allied, or any other person, and/or to force or require Waterman to cease doing business with Allied, or any other person; and/or to force or require Waterman, Allied, and stevedoring companies operating in the port of Boston or elsewhere, or any other person, to cease using, selling, handling, transporting or otherwise dealing in the products of Russia, or any other person, and/or to force or require Allied, Waterman or stevedoring companies to cease doing business with Russia, or with other persons, all of which is in furtherance of their boycott of products intended for import from Russia.

48. The acts and conduct described in paragraphs 46 through 47 above are unlawful and in violation of the provisions of 29 U.S.C. Section 168(b)(4)(B) and therefore in violation of 29 U.S.C. Section 187.

49. As a result of the aforesaid conduct of defendant ILA and defendant Local 799, Allied has been damaged in the amount of $5 million dollars to date and faces prospective damage of upwards of $10 million dollars.

COUNT II

50. Plaintiff incorporates and realleges paragraphs 1 through 44, above.

51. Defendants' conduct aforesaid constitutes an intentional, malicious, wrongful or illegal interference with Allied's contractual relations with Waterman, Exportles and "S" and an illegal interference with the business relations of Allied with Waterman, Exportles and "S" of prospective advantages to Allied all involving the traffic of Allied's goods on the high seas.

52. As a result of defendants' conduct aforesaid, Allied has been damaged in the amount of $5 million dollars to date and faces prospective damages of upwards of $10 million dollars.

COUNT III

53. Plaintiff incorporates and realleges paragraphs 1 through 44, above.

54. The conduct of defendants aforesaid constitutes an illegal conspiracy between themselves and members and other affiliates of the defendant ILA and/or between themselves and Waterman, its agents, servants and employees and/or between themselves and various stevedoring employers in various Atlantic and Gulf coast ports in violation of the Sherman and Clayton Antitrust Acts, 15 U.S.C. Sections 1 and 15.

55. The conspiracy described in paragraph 54 above has resulted in damages to date to plaintiff in the amount of $5 million dollars and prospective damages of upwards of $10 million dollars, and plaintiff is entitled to treble damages and attorneys' fees thereon.

WHEREFORE, Plaintiff requests that:

1. a preliminary injunction issue enjoining defendants, their agents, servants, employees, attorneys, and all members and persons acting in concert or participation with them from

(a) interfering with Allied's existing or prospective advantageous contractual relations with Exportles or any other agency of the Russian government, Waterman or any other carrier, or any other person or entity, by threatening to refuse or refusing to provide crews for the purpose of docking or unloading any vessels of Waterman or any other carrier, regardless of nationality of registry or ownership, carrying any of Allied's cargo originating in Russia or elsewhere or by in any manner or by any means including orders, directives, requests or appeals, however given, made or imparted, or by any like or related acts or conduct, or by permitting any such to remain in existence or in effect, engaging in, or inducing or encouraging any individual employed by Waterman, any stevedoring company, or any other person to refuse to handle Allied cargo originating in Russia or elsewhere.

(b) from conspiring and agreeing among themselves and with other local unions and members of Defendant International and/or with Waterman and any stevedoring company or companies to restrain trade between Allied and Exportles or any other agency of the Russian government, Waterman, or any other carrier, or any other person or entity by conspiring and agreeing to refuse to handle Allied cargo originating in Russia or elsewhere and by conspiring and agreeing to threaten with economic

or other reprisal any other person or entity who does handle or seeks to handle such cargo.

2. After a hearing on the merits, a permanent injunction issue enjoining defendants, their agents, servants, employees, attorney, and all members and persons acting in concert or participation with them from

(a) interfering with Allied's existing or prospective advantageous contractual relations with Exportles or any other agency of the Russian government, Waterman or any other carrier, or any other person or entity, by threatening to refuse or refusing to provide crews for the purpose of docking or unloading any vessel of Waterman or any other carrier, regardless of nationality of registry or ownership, carrying any of Allied's cargo originating in Russia or elsewhere or by in any manner or by any means including orders, directives, requests or appeals, however given, made or imparted, or by any like or related acts or conduct, or by permitting any such to remain in existence or in effect, engaging in, or inducing or encouraging any individual employed by Waterman, any stevedoring company, or any other person to refuse to handle Allied cargo originating in Russia or elsewhere.

(b) from conspiring and agreeing among themselves and with other local unions and members of Defendant International and/or with Waterman and any stevedoring company or companies to restrain trade between Allied and Exportles or any other agency of the Russian government, Waterman, or any other carrier, or any other person or entity by conspiring and agreeing to refuse to handle Allied

cargo originating in Russia or elsewhere and by conspiring and agreeing to threaten with economic or other reprisal any other person or entity who does handle or seeks to handle such cargo.

3. After a hearing on the merits, a money judgment issue against defendants indemnifying plaintiffs for their loss plus interest and costs, and attorneys' fees and treble damages pursuant to Count III of the Complaint.

4. For whatever other relief the Court deems meet and just.

ALLIED INTERNATIONAL, INC.,

By its attorneys,

/s/ DANIELLE E. DEBENEDICTIS

DANIELLE E. DEBENEDICTIS
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Dated: March 28, 1980

Opinion of Court of Appeals

The Opinion of the Court of Appeals appears in Appendix A to the Petition for a Writ of Certiorari at 1a-37a.

Opinion of District Court

The Opinion of the District Court appears in the separately bound Appendix C to Petition for Writ of Certiorari at 99a-108a.

Judgment of Court of Appeals

UNITED STATES COURT OF APPEALS

FOR THE FIRST CIRCUIT

No. 80-1425

ALLIED INTERNATIONAL, INC.,

Plaintiff-Appellant,

v.

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, *et al.*,

Defendants-Appellees.

JUDGMENT

Entered: January 6, 1981

This cause came on to be heard on appeal from the United States District Court for the District of Massachusetts, and was argued by counsel.

Upon consideration whereof, It is now here ordered, adjudged and decreed as follows: The district court's dismissal of Count I of the Complaint is vacated and the case is remanded for further consideration of Allied's prayer for damages and preliminary and permanent injunctive relief; and

The district court's dismissal of Counts II and III of the Complaint is affirmed.

One half costs to appellant.

Costs to appellant are taxed at $292.88

Judgment of Court of Appeals

Certified and issued as informal mandate under F.R.A.P. 41 on Jan 27 1981

/s/ DANA H. GALLUP,
Clerk

By the Court:

/s/ DANA H. GALLUP
Clerk

Affidavit of Morton S. Waldfogel

1. I, MORTON S. WALDFOGEL, herein depose as follows:

2. I am Treasurer of Allied International, Inc.

3. Pursuant to contract with V/O Exportles, an agency of the Russian government, Allied purchases birch plywood, Alder plywood and one-eighth inch standard hardboard from Exportles, and sells these products throughout the United States.

4. The birch plywood purchased from Exportles and sold by Allied is a unique product with the registered trademark "Baltic Birch". Because of the uniqueness of Russian trees and processing methods, Baltic Birch has a combination of features found in no other birch plywood sold in the United States. These features are:

(1) It is all birch.

(2) It is made with one piece faces and all one piece innerplies.

(3) It is uniformly light in color.

The only roughly comparable product comes from Finland, and it lacks the features of being all birch and all one piece face and one piece innerply. Allied brochures further describing Baltic Birch are attached as Exhibits A, B, C, and D to this Affidavit.

5. Allied has been importing and selling Baltic Birch since 1967. Throughout this time Allied has followed a conservative marketing strategy such that it never contracted to sell any Baltic Birch without having the product already physically in the United States. As a result Allied

has developed an excellent reputation for dependability among its customers. This reputation for dependability plus the high quality and trademark uniqueness of Baltic Birch has resulted in many of Allied's customers being willing to specify to their customers that their products will contain Baltic Birch.

6. As a result of the boycott of the ILA starting in January, 1980, Exportles has reduced the amount of Baltic Birch that it is willing to commit to sell to Allied to one-third the amount that it had agreed to commit prior to the boycott. This amounts to about 8 to 10 million dollars worth of product per-year that will be lost.

7. Allied is in the process of trying to arrange to begin to have this limited contract amount shipped to Canada, and then transported overland into the United States. However, doing this involves much higher costs than direct shipment to Boston and other Atlantic and Gulf Coast ports, and has necessitated a substantial price rise.

8. The combination of short supply of Baltic Birch plus unexpectedly higher price for the limited amount that might be available has caused and is causing hardship to those Allied customers nation-wide who have already made contracts with their customers for supplying product that specifies Baltic Birch. They will either be unable to fulfill their commitments or will only be able to fulfill them at a loss.

For example, pianos produced by Baldwin and most quality U.S. piano manufacturers use and specify Baltic Birch. Childcraft & Creative Playthings (a division of CBS), sell toys at shows or by catalog that specify Baltic Birch. Furniture manufacturers and kitchen cabinet manu-

facturers who are Allied customers have similarly already committed themselves at shows or by catalog to their customers to use Baltic Birch in their finished product. Boston University has specified that Baltic Birch be used in a major furniture order.

9. Allied's reputation with its customers for dependability has suffered greatly, and its customers willingness to continue to use, and/or agree to specifications requiring Baltic Birch has already diminished and will continue to diminish to an extent that is not possible to ascertain precisely unless Allied is able promptly to increase its supply and reduce its inbound costs.

10. The one-eighth inch standard hardboard purchased from Exportles and sold by Allied represented last year about 90% of the imports of this product sold in the U.S. and about 50% of the total amount of this product sold in the U.S.

11. The one-eighth inch standard hardboard has three basic markets. These are:

(1) *Fabricator market* using principally *King size*—This is a unique variation introduced by Allied. It is used by fabricators in different industries. One use is in the back of television sets.

(2) *Paneling market* using principally *4 by 8*—This size is also sold to fabricators as well.

(3) *Resale market*—Product is also to lumber yards for their resale to their customers.

12. As a result of the boycott by the ILA starting in January, 1980, Exportles reduced by 40% the amount of

hardboard it was willing to commit to Allied. Because of the continuation of the boycott Allied and Exportles will be forced to reduce this figure even further. If the boycott continues I anticipate the actual reduction will amount to about 12 to 15 million dollars worth of product annually.

13. Allied is in the process of having hardboard shipped from Russia via the Panama Canal to Los Angeles. However, the increased cost of this long voyage will increase the cost of this hardboard by about 15%, and make it difficult to sell in the competitive market. Other hardboard is expected to be brought into Canada and sold at cost (not including overhead), in Canada and only a small quantity is expected to be brought from Canada overland to Boston since the landed cost of this cargo is prohibitive.

14. As a result of tbe boycott Allied is in the process of losing major customers with whom it has cultivated a regular business relationship of many years standing. These customers include Holland Southwest and Masonite Corp. Holland Southwest for the past 4 or 5 years has purchased 2.5 to 3.0 million feet a month from Allied and Masonite has purchased about 100 million square feet annually.

Both of these companies are now being supplied exclusively by Allied's competitors. Allied's ability to compete in selling and servicing its hardboard customers is dependent in large part upon an organization of independent representatives that has taken years to develop. Because of the reduced quantities and the high cost of bringing in the limited available supply, this organization is beginning to disintegrate.

Affidavit of Morton S. Waldfogel

15. Allied cannot obtain a significant amount of hardboard from sources other than Russia because industry practice and history is that hardboard is supplied to importers like Allied pursuant to long term requirements contracts, and it takes years to build up the contacts with and confidence of a supplier so as to be able to obtain a regular substantial supply at a competitive cost.

/s/ MORTON S. WALDFOGEL
Morton S. Waldfogel, Treasurer
Allied International, Inc.

Subscribed and Sworn to this 19th day of May, 1980, in Middlesex County, Massachusetts.

(illegible)
Notary Public
My commission expires: October 26, 1984

Affidavit of Morton S. Waldfogel

1. I, Morton S. Waldfogel, herein depose as follows:

2. I am Treasurer of Allied International, Inc.

3. Article 40 of the collective bargaining agreement between the Boston Shipping Association, Inc., and the International Longshoreman's Association and its locals 799, 800 and 805 in effect from October 1, 1977 through September 30, 1980 is entitle "Prohibition of Lockouts, Strikes or Work Stoppages". The Article reads as follows:

> "The Employers agree that there shall be no lockout or work stoppage by the Employers, and the Union agrees that there shall be no strike or work stoppage by the employees. The right of the employees not to cross a bona-fide picket line is recognized by the Employers."

4. On several occasions from on or about January 10, 1980 to date I have spoken with Arthur Lane, President of Boston Shipping Association, Inc., about the inability of Allied to move its cargo from Russia through the port of Boston as a result of the ILA boycott of Russian cargo. I described to him our problems in this regard with the Waterman ships Walton, Middleton, and Jefferson. I suggested to Mr. Lane that the Shipping Association seek an injunction, take other legal action against the ILA, or otherwise make arrangements to have our cargo unloaded in Boston. Mr. Lane told me that while the Shipping Association sympathized with our problem, it did not wish to take any legal action against the ILA or any of its

locals in regard to our problem. Mr. Lane suggested no other way that our cargo could be unloaded in Boston.

/s/ MORTON S. WALDFOGEL
Morton S. Waldfogel, Treasurer
Allied International, Inc.

Subscribed and Sworn to this 23rd day of May, 1980, in Middlesex County, Massachusetts.

(illegible)
Notary Public
My commission expires: October 26, 1984

Affidavit of Morton S. Waldfogel

I, MORTON S. WALDFOGEL, herein depose as follows:

I am Treasurer of Allied International, Inc.

On February 25/27/28, 1980, I spoke on the telephone with Ray Feeney. Mr. Feeney, who is located in New Orleans, is Waterman Steamship Lines' Russian Service Manager. I attempted to obtain Mr. Feeney's agreement that Waterman's ship, the Jefferson, be routed from Leningrad to Boston with about 6,000 tons of wood produced in Russia consigned to us to be offloaded in Boston on or about March 20 to 25, 1980. Mr. Feeney told me that Waterman would route the Jefferson to Boston only if, at the time of arrival, they could be assured that the Longshoremen in Boston would unload the cargo. Mr. Feeney said Waterman was taking this position because their stevedores, W. T. Clark, had advised them that the Longshoremen Union would not unload any Waterman vessel with cargo from Russia. Arthur Lane, President of the Boston Shipping Association, told me the same thing. Mr. Feeney said that without assurance that the Jefferson could be unloaded in Boston, Waterman would insist that the Jefferson be routed to Canada for unloading.

Signed under Pains and
Penalties of Perjury

/s/ MORTON S. WALDFOGEL
Morton S. Waldfogel, Treasurer
Allied International, Inc.

Sworn and subscribed to before me this 29th day of February, 1980, in Middlesex County, Massachusetts.

/s/ ROGER M. WILLIAMS
Notary Public
Commission Expires February 7, 1986

Affidavit of Edward J. Gildea

I, EDWARD J. GILDEA herein depose as follows:

1. I am President of Allied International, Inc.

2. On March 12, 1980 I spoke on the telephone with Ed Connolly, Business Agent of Local 799, International Longshoreman's Association. I told Mr. Connolly that I was from Allied, and we had been bringing in Russian cargo for twelve years, and I asked him whether the situation had changed in regard to the boycott of Russian cargo. He said he knew who we were, and that the situation had not changed. I told him that we had brought cargo into Montreal, and that it added to our cost of handling. He agreed with that. In addition, I told him that I had heard that Savannah was now open, and that possibly this would change their picture in Boston. He said that if there was to be any change, it would have to come from Bill Hankin, the International Vice-President in Boston. He said he thought that Mr. Hankin would have to clear any change with International President, Thomas Gleason, in New York. He said that he would ask Mr. Hankin to phone me.

Signed under Pains and
Penalties of Perjury

/s/ EDWARD J. GILDEA
Edward J. Gildea, President,
Allied International, Inc.

Sworn and subscribed to before me this 12th day of March, 1980 in Middlesex County, Massachusetts.

/s/ ROGER M. WILLIAMS
Notary Public
Commission Expires February 7, 1986

Affidavit of Edward J. Gildea

I, EDWARD J. GILDEA, hereby depose and say as follows:

I have been the President of Allied International, Inc., since its inception in 1967. Allied International, Inc., (hereinafter called Allied) is a Massachusetts corporation with its principal place of business at 490 Rear Rutherford Avenue, Charlestown, Massachusetts 02129. It is engaged in the import, purchase and sale at wholesale and retail of wood products. It annually imports into the Commonwealth of Massachusetts wood products valued in excess of $50,000.00 directly from foreign countries. It annually ships wood products valued in excess of $50,000.00 from within the Commonwealth of Massachusettts directly to points located in states other than the Commonwealth of Massachusetts. It receives gross annual revenues from the retail sale of wood products in excess of $500,000.00.

Allied has been importing Plywood and Hardboard from the Union of Soviet Socialist Republics (hereinafter called U.S.S.R.) since 1967. The dollar value of such imports in calendar year 1979 totalled approximately $25 million, which is approximately 50%, or slightly more, of the total of Allied's purchases during that year. Allied supplies approximately 80% of the total imports of all imported Birch Plywood in the United States. Included among its customers are Holland Southwest Corporation, located in Houston, Texas, a manufacturer of Prefinished wall panels which employs about 50 people. Holland receives approximately 100% of its raw material from Allied. Its last shipment was received in December of 1979, and it has been unable to obtain additional shipments from Allied due to the boycott of Russian cargo by the I.L.A. Dealers Imports, of Huntersville, North Carolina is also a customer of Allied. It is a wholesale distributor which re-

ceives approximately 90% of its supplies from Allied. As with Holland Southwest, Allied has been unable to supply Dealers Imports with any materials since December of 1979.

Allied's purchases of Birch Plywood and Hardboard from the U.S.S.R. have been made pursuant to a contract between Allied and V/O "Exportles" (herein called V/OE), an Agency of the U.S.S.R. government. The last contract between Allied and V/OE expired on December 31, 1979. A contract to succeed the expired contract and to provide for the continued purchase of Plywood and Hardboard from V/OE by Allied has been negotiated between Allied and V/OE. It has been executed by Allied and is awaiting execution by V/OE. The effective term of this contract is February 9, 1980 to December 31, 1980.

The transportation for the Plywood and Hardboard purchased by Allied from V/OE was arranged pursuant to a contract between Allied and Sojuzvneshtrans (hereinafter called "S"), an Agency of the Government of the U.S.S.R. Pursuant to this contract, which is still in effect, "S" arranged for the shipment of some of Allied's Plywood and Hardboard onboard the vessels of Waterman Steamship Lines. Inc., "The Walton", "The Middleton" and "The Jefferson". Waterman's transport of Allied's Plywood and Hardboard was carried out pursuant to a contract between Waterman and Sofract, an Agency of the U.S.S.R. Government. The essential terms and conditions of Waterman's transport of Allied's cargo (price, destination and shipping schedules) were negotiated directly between Waterman and Allied. This relationship between Waterman and Allied has existed for the past five to six years. Waterman's transport of Allied's cargo has required the virtually exclusive use of "The Walton", "The Middleton" and "The Jefferson" during this period of time.

Affidavit of Edward J. Gildea

Waterman Steamship Lines maintains its principal place of business in New York, New York. It is engaged in the business of transporting freight to, from and among foreign and domestic ports, through the operation of various ocean-going vessels of the United States Registry, including "The Walton", "The Middleton" and "The Jefferson". It annually derives gross revenues in excess of $50,000.00 from the operation of these ocean-going vessels.

For the past five or six years, Waterman has made exclusive use of John T. Clark & Son of Boston, Inc., as its stevedoring company in the Port of Boston. Clark annually performs services for Waterman as well as other carriers valued in excess of $50,000.00 per year.

On or about January 9, 1980, "The Walton" arrived at the Port of Boston to unload a portion of Allied's Plywood and Hardboard purchased from V/OE. "The Walton" was scheduled to make additional calls at the Ports of Wilmington, North Carolina, Charleston, South Carolina and Houston, Texas for further unloading of Allied's Plywood and Hardboard cargo purchased from V/OE. On January 9, 1980, Thomas W. Gleason, President of the International Longshoremen's Association, declared that members of his organization would no longer unload any Russian cargo. Shortly after Gleason made that statement, I was called by Raymond Feeney, an Agent for Waterman Steamship Lines, and advised by him that because of the boycott announced by the I.L.A., Waterman was going to cancel all of "The Walton's" calls scheduled beyond the Port of Boston and was going to unload all of Allied's Plywood and Hardboard cargo in the Port of Boston. Waterman did unload all of the Plywood and Hardboard cargo in the Port of Boston, approximately 500,000 sheets of Hardboard, for Southern Ports is still located in the port. As a

consequence of the material being stored in the Port of Boston rather than being delivered to its customers in the southern United States, there are ongoing demurrage charges accruing at Castle Island in the Port of Boston, which are presently unknown, as well as weekly charges of $5,000.00 for services performed by I.L.A. members in ensuring the security of the Hardboard that is stored at Commonwealth Pier.

Shortly after my conversation with Mr. Feeney, I called Thomas Gleason at the I.L.A. office in New York. He wasn't in but returned the call to Allied in Boston. I explained to Gleason that the majority of our business was bringing in Russian products, and advised him of the situation concerning "The Walton". I then asked him if it would be possible to have "The Walton" unloaded at its scheduled ports of call in the southern part of the United States. Gleason said that it would not be possible to do that. When I asked why not and observed that it seemed illogical to unload in Boston but not elsewhere, he said that he had to "draw the line somewhere." He further stated that it was not his decision or his associates' decision to refuse to unload Russian cargo, but that this was something that was the desire of the rank and file.

On or about January 11, 1980, "The Middleton" was receiving Allied's Plywood and Hardboard cargo in the Port of Leningrad, U.S.S.R. "The Middleton" was scheduled to deliver that cargo to the Ports of Boston, Wilmington, North Carolina, New Orleans, Louisiana and Houston, Texas.

On or about a date between January 11 and January 20, 1980, I was advised by Morton Waldfogel, Vice President of Allied, that Waterman had informed him that it would not deliver "The Middleton" cargo to Boston but would,

instead, deliver it to Montreal, Canada. Attached as Exhibit "A" is a telex from Waterman to Allied, received by Allied on approximately January 20, 1980, in which Waterman confirms its refusal to deliver "The Middleton" cargo to Boston and its intention to deliver it to Montreal, Canada. Attached as Exhibit "B" is a telex from Waterman to Allied, received by Allied on or about January 11, 1980, advising of Waterman's discharge of "The Walton's" cargo in Boston. Attached as Exhibit "C" is Allied's telex to Waterman sent on or abort January 11, 1980, concerning its actions in diverting "The Walton" and "The Middleton".

On or about January 16, 1980, "The Middleton" left Leningrad with approximately one-third (⅓) of the scheduled cargo of Allied's that it was supposed to carry. Instead of arriving in the United States ports, it arrived in Montreal, Canada on or about January 28, 1980. In conversations with Raymond Feeney after January 16, 1980, he advised Allied that the reason Waterman reduced the size of "The Middleton's" load and the reason it went to Montreal was because of the I.L.A.'s boycott of Russian cargoes in the United States. A further effect of the diversion of "The Middleton's" cargo to Montreal as well as the unloading of "The Walton's" cargo in Boston is that for Allied to transport this cargo to its original buyers would cost Allied approximately $400,000.00, as a conservative figure, for the transportation costs.

Between January 25, 1980 and March 13, 1980, Allied negotiated and concluded an agreement with Waterman, providing for "The Jefferson's" transport of Allied's Plywood cargo from the U.S.S.R. to the Port of Boston, or in the alternative to the Port of St. John's, New Brunswick, Canada, in the event that the Port of Boston remained closed by the I.L.A. boycott.

Affidavit of Edward J. Gildea

During the week of March 10, 1980, I had a series of telephone conversations with Mr. Raymond Feeney, Agent for Waterman Steamship Lines, concerning Waterman's agreement with Allied International for the shipment of Plywood and Hardwood from Leningrad, Russia to Boston, Massachusetts on Waterman's ship, "The Jefferson".

In the course of these conversations, Mr. Feeney informed me that, because of the I.L.A. boycott of Russian-made goods, Waterman would definitely not route "The Jefferson" to Boston with this Plywood and Hardboard onboard.

In an effort to obtain alternative routing, I then had an assistant contact one Mr. Rollison, Port Director for Savannah, Georgia, in order to ascertain whether the Port of Savannah was "open" for unloading Russian-made goods. Mr. Rollison reported that Savannah was indeed "open", and that if the Plywood and Hardboard were routed there, it would be unloaded.

I again spoke with Mr. Feeney and, after informing him of Mr. Rollison's assurances, suggested as an emergency measure that "The Jefferson" discharge its shipment of Plywood in St. John's, New Brunswick for transhipment to Boston and its shipment of Hardboard in Savannah.

In a telephone conversation which took place on or about March 13, 1980, Mr. Feeney told me that Waterman would definitely not agree to discharging any of the cargo in question in any port in the U.S. East or Gulf Coasts. Mr. Feeney also notified me that later the same day, "The Jefferson" was departing from Leningrad without any shipment of Plywood or Hardboard onboard. It is my understanding that Waterman suffered a loss of revenue of approximately $200,000.00 to $300,000.00 because of this action.

Affidavit of Edward J. Gildea

I am currently attempting to obtain alternative shipping arrangements with Finn Lines and other European shipping companies, which contacts have been made necessary by Waterman's decision not to transport the cargo as it had agreed.

It is essential that the entire Plywood cargoes be discharged in the Port of Boston, because Allied's principal warehouse for Russian-imported products is located in that city. It would, therefore, be highly impractical and costly from a business standpoint to fill orders for such products on the basis of unbalanced and partial inventories resulting from the discharge of the cargoes in any other port.

Allied has concluded arrangements with V/OE for the delivery of Allied's Plywood and Hardboard cargoes, which were to be carried on "The Jefferson", as well as other Plywood and Hardboard, from the U.S.S.R. to Boston onboard two vessels of U.S.S.R. Registry, the "S. Kovalev" and the "S. Borudulin", which are scheduled to arrive in the Port of Boston in or about late April or early May, 1980.

On March 11, 1980, I called the office of Local #799, International Longshoremen's Association, in Boston, and asked for Business Agent, Edward Connolly. The person answering the telephone advised me that he was not in but suggested that I call back later. I called again on March 12, 1980; I again asked for Business Agent, Edward Connolly, and the person answering the telephone said, "Ed, there's a call for you." Edward Connolly then got on the telephone and identified himself as such.

I told Mr. Connolly that I was from Allied, and we had been bringing in Russian cargo for twelve years, and I asked him whether the situation had changed in regard to the boycott of Russian cargo. He said he knew who we were, and that the situation had not changed. I told him that we had brought cargo into Montreal, and that it added

to our cost of handling. He agreed with that. In addition, I told him that I had heard that Savannah was now open, and that possibly this would change their picture in Boston. He said that if there was to be any change, it would have to come from Bill Hankin, the International Vice-President in Boston. He said he thought that Mr. Hankin would have to clear any change with International President, Thomas Gleason, in New York. He said that he would ask Mr. Hankin to phone me.

During negotiations for the contract between Allied and V/OE, referred to above, to provide for Allied's purchase of Plywood and Hardboard during 1980, V/OE expressed great concern regarding the ability of Allied to have its cargo landed in the Port of Boston or any other U.S. port as the result of the I.L.A. boycott. As a consequence of that boycott, they insisted upon inserting in the contract a provision providing that they could cancel their obligation to furnish any Plywood or Hardboard during a calendar month, if that Plywood or Hardboard could not be delivered during the month in which it was purchased. In addition, as a result of the I.L.A. boycott, V/OE has reduced the quantity of Plywood and Hardboard which it will sell to Allied during 1980 to one-half (½) of the amount sold to Allied during 1979.

/s/ Edward J. Gildea
Edward J. Gildea, President
Allied International, Inc.

Subscribed and Sworn to this 25th day of March, 1980 in Middlesex County, Massachusetts.

Roger M. Williams
Notary Public
My commission expires February 7, 1986

Exhibit A

ALLPLY BSN

WATERMAN NYK

4:5ø PM

TO ALLIED INTL—BOSTON—ATTN MR J MANDELL

FM WATERMAN NYK

øø1-43

REF S.S. A MIDDLETON V26 LENN/BOS BL 1ø,11,13,14,15, 19,16,18-
528 BDLS PLYWOOD.
LENN/NOLA BL 3,4,5, 6 and 7 82ø BUNDLES HARDBOARD.
LENN/HOUSTON BL:9-95ø BUNDLES HARDBOARD.

ARTHUR MIDDLETON, VOYAGE 26 WESTBOUND

THIS IS TO CONFIRM OUR PREVIOUS ADVICES THAT DUE TO THE REFUSAL OF THE INTERNATIONAL LONGSHOREMEN'S ASSOCIATION TO DISCHARGE CARGOES ORIGINATING IN RUSSIA AT U.S. ATLANTIC OR GULF PORTS WATERMAN STEAMSHIP CORPORATION HAS ELECTED TO DISCHARGE THE SUBJECT SHIPMENT(S) AT MONTREAL UNDER AUTHORITY OR OUR LIBERTIES CLAUSE (CLAUSE 11) IN OUR BILL OF LADING. PURSUANT TO THE PROVISIONS OF THIS CLAUSE, ALL TRANSSHIPMENT CHARGES AND STORAGE CHARGES AFTER THE EXPIRATION OF APPLICABLE FREE TIME, ARE FOR THE ACCOUNT OF CARGO.

OUR MONTREAL AGENT, R.G. REDBURN EASTERN LTD., TELEPHONE 514-842-1723 WILL BE AVAILABLE TO RENDER EVERY POSSIBLE ASSISTANCE. WE TRUST YOU APPRECIATE THESE ACTIONS ARE NECESSITATED BY CIRCUMSTANCES BEYOND OUR CONTROL, AND WE DEEPLY REGRET ANY INCONVENIENCE.

FEENEY

ALLPLY BSN

WATERMAN NYK

M

Exhibit B

ALLPLY BSN
WATERMAN NLN

NEW ORLEANS, LA. JAN. 11, 198ø 1215

TO: ALLIED INTERNATIONAL
TELEX 94-ø719 (ALLPLY BSTN)
RE: S/S GEO. WALTON V-21 WB
LENINGRAD/WILMINGTON
SHIPPER: SOJUSVENSHTRANS

B/L—1
1øø BDLS HARDBOARD 82.766 KOGS

B/L—2
5øø BUNDLES HARDBOARD 649.577 KOS

B/L—3
30 BUNDLES HARDBOARD 38.974 KOS

B/L—4
5øø BUNDLES HARDBOARD 649.577 KOS

LENINGRAD/CHARLESTON
SHIPPER: SOJUSVENSHTRANS

B/L—7
5øø BUNDLES HARDBOARD 413.828 KOS

B/L—8
5øø " " 413.828 KOS

B/L—9
5øø " " 413.828 KOS

B B/L 1ø
228 " " 188.7ø6 KOS

B/L 11
375 " " 37ø.371 KOS

B/L 12
473 " " 391.481 KOS

LENINGRAD/HOUSTON SHIPPER: SOJUSVENSHTRANS

B/L—5
9øø BUNDLES HARDBOARD 744.889 KOS

B/L—6
3øø " " 248.296 KOS

Exhibit B

DUE TO INTERNATIONAL LONGSHOREMEN'S ASSOCIATION'S PUBLICALLY ANNOUNCED REFUSAL TO DISDLE RUSSIAN CARGOES, WE ARE COMPELLED TO DISCHARGE ALL RUSSIAN CARGOES ABOARD THE GEORGE WALTON AT THE PORT OF BOSTON PURSUANT TO CLAUSE 11 "LIBERTIES CLAUSE" OF WATERMAN'S BILL OF LADING. ACCORDINGLY THE VOYAGE IS TERMINATED WITH RESPECT TO THESE RUSSIAN CARGOES AT BOSTON. UPON EXPIRATION OF FREE TIME ALL STORAGE CHARGES ARE FOR THE ACCOUNT OF CARGO. ALSO ALL TRANSSHIPMENT OR ONCARRIAGE CHARGES ARE FOR THE ACCOUNT OF CARGO.

WATERMAN AND ITS BOSTON AGENTS PEABODY AND LANE, INC., 89 BROAD STREET, BOSTON, MASS. ø211ø, TELEX PEALANE, TELEPHONE (617) 292-475ø, WILL PROVIDE ANY AND ALL ASSISTANCE REQUIRED TO FACILITATE AND EFFECT ALTERNATE DELIVERY OF CARGOES. WE REGRET ANY INCONVENIENCE CAUSED BY THIS ACTION WHICH WAS DICTATED BY CIRCUMSTANCES BEYOND OUR CONTROL.

WATERMAN STEAMSHIP CORPORATION

ILPLY BSN

WATERMAN NLN

Exhibit C

WATERMAN NLN

TO: WATERMAN STEAMSHIP LINES

1/ RE: YOUR TELEX JANUARY 11, 198ø
S/S GEORGE WALTON V-21 WB

YOUR PROPOSED DISCHARGE OF WILMINGTON/CHARLESTON/HOUSTON CARGO AT BOSTON IS UNWARRANTED AND UNJUSTIFIED AND CONTRARY TO OUR SPECIFIC REQUESTS. CLAUSE #11 IS NOT APPLICABLE IN THIS SITUATION. WE HOLD YOU COMPLETELY RESPONSIBLE FOR ALL EXPENSES INCURRED TO COMPLETE THE SHIPMENT OF THIS CARGO TO THE DESTINATIONS FOR WHICH IT WAS CONTRACTED. IF YOU CONTINUE TO DISCHARGE CARGO, WE HAVE NO ALTERNATIVE BUT TO PROCEED WITH THE TRANSSHIPMENT AND ON-CARRIAGE OF THE CARGO TO THE DESTINATIONS FOR WHICH YOU CONTRACTED, ALL OF WHICH WILL BE DONE AS JUDICIOUSLY AS POSSIBLE AND AT YOUR SOLE RISK AND EXPENSE. IF YOU WOULD PREFER TO HANDLE THE TRANS-SHIPMENT AND ON-CARRIAGE YOURSELF, PLEASE ADVISE IMMEDIATELY.

2/ RE: S/S ARTHUR MIDDLETON

WE UNDERSTAND THAT THE MIDDLETON IS NOW LOADING AT LENINGRAD AND ACCEPTING CARGO FOR DELIVERY TO BOSTON, MASSACHUSETTS/WILMINGTON, NORTH CAROLINA/NEW ORLEANS, LOUISIANA/HOUSTON, TEXAS. PLEASE BE ADVISED THAT WE ARE NOT PREPARED TO ACCEPT DELIVERY OF THIS CARGO OTHER THAN AT THE SPECIFIC PORTS FOR WHICH THE CARGO IS INTENDED. ANY EXPENSES OF ANY SORT ARISING FROM YOUR FAILURE TO DELIVER THE CARGO ON THE MIDDLETON AS CONTRACTED WILL BE SOLELY FOR YOUR ACCOUNT. IF YOU CANNOT ACCEPT CARGO ON THIS BASIS, THEN DO NOT ACCEPT CARGO AT ALL.

ALLIED INTERNATIONAL
BOSTON, MASSACHUSETTS

WATERMAN NLN

ALLPLY BSN

Affidavit of Edward J. Gildea

UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF MASSACHUSETTS

CIVIL ACTION NO.

ALLIED INTERNATIONAL, INC.,

Plaintiff,

v.

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, *et al.*,

Defendants.

AFFIDAVIT

I, EDWARD J. GILDEA, hereby depose and say as follows:

1. I am President of Allied International, Inc.

2. All longshoremen employed in the port of Boston by stevedoring companies are hired through the International Longshoremen's Association hiring hall.

Sworn to under pains and penalties of perjury this 31st day of March, 1980.

/s/ EDWARD J. GILDEA
Edward J. Gildea

Affidavit of John A. Caires

DEPOSITION

On Tuesday, March 25, 1980 at 11:35 AM upon the invitation of Mr. Robert Caulder, Secretary of the Boston Shipping Association, I, John A. Caires, Vice President Marketing for Allied International, Inc. of Charlestown, Massachusetts was introduced to Mr. William A. Hankard and Mr. William R. McNamara, Vice Presidents of The International Longshoremans Association in Boston.

The meeting took place after the close of the monthly meeting between The Boston Shipping Association and officers of the local ILA. Also present were Mr. Arthur Lane, President of the BSA along with several other members as well as Mr. William P. Horohoe, representing the John T. Clark Inc., Stevedores.

I inquired directly of both Mr. Hankard and Mr. McNamara if their position regarding their refusal to handle our Russian Plywood and Hardboard cargoes had altered to which they replied in the negative. They stated the boycott was the dictate of Mr. Thomas L. Gleason, President of the ILA whose instructions they followed.

I proceeded to outline Allied's position, namely we were one of the largest break bulk importers in Boston, bringing in annually around 34,000 tons of Plywood and Hardboard. I further proceeded to outline our distribution to wholesalers throughout the country and commented on the uniqueness of the plywood and the fact that the ILA Boycott was not hurting the Russians at all, but rather American Woodworking Business, many of whom were being forced to shut down completely or cut back production drastically due to lack of product occasioned by the ILA boycott.

Affidavit of John A. Caires

I pointed out that the M/V Arthur Middleton, an American Flag Vessel, which was en route to Boston this January at the time of the boycott had to be diverted to Montreal this creating further problems. Also mentioned by me was the fact that last week 2 Russian vessels were being unloaded and reloaded in the Port of Savannah, Georgia.

I pointedly asked Mr. Hankard and Mr. McNamara what steps we could take to correct a situation which while not harming the Russians, was certainly affecting many small American businesses to which they replied they both were meeting in New York with Mr. Gleason Wednesday, March 26th, at which time they would discuss the embargo as relating to the Port of Boston and advise Mr. Arthur Lane of the results of the discussion. The meeting adjourned at that point.

/s/ JOHN A. CAIRES
JOHN A. CAIRES
Vice President, Marketing

Subscribed and sworn to before me this 25th Day of March 1980 in Middlesex County, Massachusetts

/s/ ROGER M. WILLIAMS
Notary Public
My Commission Expires February 7, 1986

Affidavit of Thomas W. Gleason

UNITED STATES DISTRICT COURT

DISTRICT OF MASSACHUSETTS

Civil Action No. 80-584-S

ALLIED INTERNATIONAL, INC.,

Plaintiff,

v.

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, et al.,

Defendants.

STATE OF NEW YORK,
COUNTY OF NEW YORK, *ss.*:

THOMAS W. GLEASON, being duly sworn, deposes and says:

1. I am President of the International Longshoremen's Association, AFL-CIO ("ILA"), one of the above-named defendants. I make this affidavit in opposition to plaintiff's present motion for a preliminary injunction herein and in support of defendants' cross motion to dismiss the complaint.

2. Defendants urge that plaintiff's case is so legally defective that it should be dismissed in its entirety. If the complaint should somehow survive, it is manifest that plaintiff has failed to meet the even higher burden placed on a party seeking a preliminary injunction. All of the arguments in defendants' memorandum and the material in this affidavit which are couched in terms of dismissal of the

complaint are doubly significant with respect to the injunction motion, where the onus is on the moving party to establish its right to relief.

3. (a) The complaint should be dismissed insofar as it seeks damages for violation of LMRA §303 (Count I) in that the court has already held that there is no reasonable cause to believe that an unfair labor practice has been committed. In denying the application of the Regional Director of the NLRB for an injunction under NLRA §10(1) in *Walsh* v. *International Longshoremen's Association, AFL-CIO,* Civil Action No. 80-559-S, (D. Mass. April 30, 1980), the court found that defendants' action is political expression and has no secondary objective. Since, at plaintiff's initiative, that proceeding has been consolidated with plaintiff's action, the prior ruling is controlling. The court found that even the minimal burden which the Regional Director faced had not been met. Thus, the primary nature of defendants' action must be taken as established for purposes of a motion to dismiss this private lawsuit and certainly for purposes of a temporary injunction, wherein the burden on plaintiff is far more rigorous than that which the Regional Director failed to meet.

(b) Plaintiff's antitrust action (Count III) must also fall before the court's prior ruling. Defendants' action has already been held to be self-directed and political. It therefore cannot violate the antitrust laws. Plaintiff's allegations of "conspiracy" are totally without substance as demonstrated below.

(c) As shown by defendants' accompanying memorandum of law, plaintiff's common law tort cause of action (Count II) cannot stand. Any state cause of action has been pre-empted by the federal statute plaintiff invokes.

Moreover, any tort claim would rely on the identical factual allegations, which are untenable. It would thus suffer from the same defects as the federal claims. Accordingly this count, too, should be dismissed.

4. Plaintiff displays a certain audacity in pressing its private litigation after this court's ruling in the consolidated case. When plaintiff first moved for a preliminary injunction, the NLRB's application for a 10(1) injunction was still pending. Indeed, plaintiff's memorandum of law (pp. 2, 3 and 8) proceeds on the misplaced confidence that the Regional Director would succeed. When it transpired that this court correctly characterized defendants' actions as political protest by refusing to accept certain work, plaintiff should at the very least have gracefully withdrawn its injunction motion. Instead it seeks a second bite of the apple,—but on grounds even weaker than those urged by the NLRB.

5. (a) The only factual allegation in the complaint which requires any comment is the allegation that defendants "conspired" with Waterman Steamship Lines, Inc. (hereinafter "Waterman") and various stevedoring employers. As defendants' memorandum of law shows, this claim of conspiracy, even if true, would be unavailing in that there is no purpose to restrain trade. However, the allegation of conspiracy is itself defective. It is a purely conclusory allegation, unsupported by alleged facts and obviously inserted for purposes of manufacturing an antitrust claim. Its true nature as mere inference and conclusion is revealed by plaintiff's memorandum in support of the injunction motion. At page 6 plaintiff says: "... *there is reason to believe* that various stevedoring companies and Waterman shipping lines were also involved in their conspiracy

. . . ." The rest of the paragraph details what the "reason to believe" is. It consists solely of the claim that two ships, the Walton and the Middleman [sic], were "diverted" before either ship or before any Waterman ship had actually been subject to any coercive action by the ILA or its locals." This unsworn assertion in the memorandum is contradicted by allegations in the complaint, as will be shown below. But, even if it were true, it is hardly the kind of evidence from which one could infer a conspiracy. It consists of no facts to connect the employers to the union's decision but only a recitation of the employers' response to action already taken. Thus, the so-called allegation of conspiracy is nothing more than a self-serving inference drawn from the unilateral acts of others with no evidence to connect them with defendants. The implausibility of the inference becomes immediately apparent when one remembers that it would equally apply to every ILA direct and secondary employer in the United States except for the handful who have challenged the union's action legally. If on the basis of what plaintiff presents one can find a conspiracy, it is a conspiracy of monumental proportions.

(b) The other allegations of the complaint disprove and negate the characterization of conspiracy. These set out the undisputed history of the ILA action and admit that defendants' *only* dispute is with the government of Russia (¶44). The allegations with respect to Waterman and the stevedore companies (¶¶30-43) show beyond doubt that Waterman and the ILA employers were faced with a *fait accompli* by the unions and did nothing more than acquiesce in a situation in whose creation they had played no part. With respect to the single fact from which plaintiff claims there is "reason to believe" a conspiracy exists, —the diversion of the Walton and the Middleton—the

complaint actually contradicts plaintiff's memorandum of law. The reason why these ships were diverted from their normal route is set forth in ¶¶29-34 of the Complaint. On January 9, 1980, deponent informed *Allied* that ILA longshoremen would not unload the Walton in any port other than Boston (¶29). ILA representatives told Waterman and the stevedores that the Walton would not be serviced in Wilmington, Charleston and Houston (¶¶30, 31, 32). Waterman, upon hearing this, "concluded" that longshoremen in the southern ports would not unload any Allied wood (¶33) and so "agreed" to have the Walton totally unloaded in Boston (¶34). These are plaintiff's own factual allegations. They do not paint the picture of a conspiracy. They simply show both Allied and Waterman being apprised of the ILA's unilateral decision and Waterman making the best of the situation by at least completing the unloading of the Walton in Boston, where the unions consented to service it. The implication in plaintiff's memorandum that Waterman was somehow cooperating with the ILA in advance of any knowledge or refusal to work is completely dispelled. (The same story is given in more detail in the NLRB's memorandum in support of its Petition for a 10(1) injunction in the *Walsh* case, which is already on file with the court, at pp. 3 and 4. It confirms that Waterman was merely reacting, not conspiring or agreeing. It goes so far as to show that it was *Allied's* president who informed deponent "that Waterman had decided to unload all of Allied's cargo in Boston due to the 'ILA' boycott." But the point there is that plaintiff's own complaint shows there was no conspiracy.)

(c) Thus, the only set of facts to which plaintiff can point to in the memorandum to support an inference of conspiracy turns out, as alleged in their pleading, not to

support any such inference. The complaint read as a whole gives the true picture—that the refusal to service Soviet goods was unilateral action by the ILA in which no one else played a part. Waterman's and the stevedores' roles occurred only in the wake of the union's decision. The factual allegations of the complaint must take precedence over plaintiff's contradictory and self-serving allegations of a conspiracy. Consequently the complaint should be dismissed on its face—without the necessity of refutation.

(d) However, to set the record straight and for purposes of defeating the motion for a preliminary injunction in the event that the court should decline to dismiss the case *in toto*, deponent categorically states that no other entity —union, stevedores, shipping company or Waterman—had any part in the ILA's decision with respect to the handling of vessels and cargo going to and from Russia following the Soviet invasion of Afghanistan. This was an internal decision of the union, taken in response to the wishes of its own membership. The decision was made and has been implemented without consultation, much less conspiracy, with outsiders. In its aftermath, some employers have challenged the action, some have acquiesced. Their responses have been taken on their own initiative, without ILA involvement.

(e) Annexed hereto and made a part hereof is an affidavit made and sworn to by John Bowers on May 23, 1980 and submitted to the National Labor Relations Board in connection with its proceeding on Allied's unfair labor charge (Case No. 1-CC-1973). Mr. Bowers is the Executive Vice President of the ILA and also the Chairman of the ILA Committee which oversees and makes determinations with respect to the handling of vessels and cargoes

which longshoremen in ports within the ILA's jurisdiction from Maine to Texas and on the Great Lakes are refusing to handle. While directed primarily at the "secondary boycott" aspects, his affidavit gives the full background of the ILA action and its subsequent implementation. It is thus relevant on the present motions. In sum, it shows how outlandish is any suggestion of conspiracy or restraint of trade.

6. (a) In its memorandum (p. 7) plaintiff raises the spector of thermonuclear warfare and suggests that the ILA action may precipitate escalation of international tensions. It seeks to portray defendants as bumbling vigilantes whose interference with foreign policy must be enjoined. This is pure nonsense. American foreign policy permits trade with Russia. It does not require any individual to engage in such trade. Unlike plaintiff's Soviet customer, the United States remains a free nation with a significant range of individual choice even within the context of foreign policy. Because that policy permits the importation of Russian vodka, no American citizen is obliged to drink vodka.

(b) In short, the ILA asks no more than the rights of every other citizen—to act or not act within the private sphere. Plaintiff itself has the same right. The court can rest confident that, if Allied could get its plywood for 2¢ cheaper somewhere else, it would cease trading with the Soviets at a moment's notice. Nor would Allied in that circumstance give a second thought to foreign policy, escalating world tensions, or thermonuclear holocausts. So, too, within the framework of the law defendants may choose for themselves whether or not they will lend their labor to the Soviet enterprise.

Affidavit of Thomas W. Gleason

7. (a) Finally, deponent urges that the present case is so totally without merit as to be frivolous and vexatious and so to warrant the awarding of counsel fees to defendants. This is doubly true with respect to the motion for a preliminary injunction, which plaintiff has continued to press even after the court had made controlling rulings in the 10(l) proceeding and had denied relief to the Regional Director of the NLRB. Even if the case is not dismissed, costs and attorneys fees on the motion should be granted. Needless to say, defendants have been put to great time and expense in defending both the action and the motion, most of which have gone towards the latter. Given plaintiff's knowledge of the underlying facts and the history of this litigation, the pursuit of their action and injunction motion cannot be said to be in good faith. Defendants should be compensated for the cost of defending against these burdensome and unfounded proceedings.

/s/ THOMAS W. GLEASON
THOMAS W. GLEASON

Sworn to before me this
day of May, 1980.

.....
NOTARY PUBLIC

RAY TARONE
Notary Public, State of New York
No. 24-9484625
Qualified in Kings County
Commission Expires March 30, 1977

Affidavit of John Bowers

UNITED STATES OF AMERICA

BEFORE THE NATIONAL LABOR RELATIONS BOARD
FIRST REGION

Case No. 1-CC-1753

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO

and

LOCAL 799, ILA, AFL-CIO

and

ALLIED INTERNATIONAL, INC.

STATE OF NEW YORK,
COUNTY OF NEW YORK, *ss.*:

JOHN BOWERS, being duly sworn, deposes and states as follows:

1. I am the Executive Vice President of the International Longshoremen's Association, AFL-CIO. My office is located at the ILA's headquarters at 17 Battery Place, New York, New York 10004. I am also the Chairman of the ILA Committee which oversees and makes determinations with respect to the handling of vessels and cargo which longshoremen in ports within the ILA's jurisdiction from Maine to Texas and on the Great Lakes are refusing to handle as further enunciated within.

2. This affidavit is to give the background to the ILA's current policy with respect to the handling of vessels and cargo going to and from Russia following the Soviet invasion of Afghanistan on December 29, 1979. In order

that the Board can fully comprehend the response of the membership of the ILA to this event, which has been referred to by the present Secretary of State, Mr. Muskie, as "Soviet cannibalism" and as to which the Vice President of the United States, Mr. Mondale, has expressed the unequivocal opposition and alarm of the government in unmistakable terms (see Articles, *The New York Times, Exhibits 1 & 2* hereto), [omitted] I set forth the following background.

3. Traditionally the ILA's membership has been militantly patriotic. Two years before our own government took a stand against the communistic and expansionist policies of Castro's Cuba, longshoremen, on their own accord, bypassed numerous opportunities to supplement their income servicing Cuban ships, because of their personal convictions. Over the years, our members have had very strong personal feelings against the totalitarian regimes, both to the right and to the left of the political spectrum, which historically have repressed trade union movements and have jailed, tortured and harrassed their leaders. Indeed, the ILA has been in the forefront in the labor movement in this country in protesting—and where possible participating in missions—to these countries in order to secure the civil rights of our oppressed brethren, whether in Chile, Russia, Nicaragua, Tunisia or elsewhere. Consistent with these basically subjective sentiments, our members and their leadership have been very sensitive to actions by foreign governments that affect our citizens and the principals for which our country is reknowned. [sic] The ILA's leadership has responded time and again to calls by the President of the United States in both war time and peace time to assist our country and its allies abroad. We have assisted friendly nations to increase their longshore productivity and efficiency in order to bolster the

resources and self-sufficiency of the free world nations in Africa, Southeast Asia and wherever necessary over the globe.

4. It should be noted that, in the past, activities similar to the present ILA action have enjoyed the warm approval of the administration. When, in 1978, the AFL-CIO contemplated a boycott of Chilean trade to protest violations of human rights there (action in which the ILA was in the forefront), the President's foreign policy advisor, Mr. Brzezinski wrote AFL-CIO President George Meany wishing the venture success *(Exhibit 3)*. [Omitted]

5. A typical reaction of longshoremen was that which followed the day after the American hostages were taken by the revolutionary government of Iran. Thomas (Teddy) Gleason, the ILA's President, and I and other ILA officials at our headquarters were deluged with phone calls from local delegates advising that their men did not want to work any Iranian cargo and that they were attempting to stop handling Iranian ships and cargo on their own. At that time there was no ILA position. However, when the members of Locals 1233 and 1235 (Longshoremen) and Local 1 (Checkers) in the Port of New York refused to handle Iranian cargo on vessels at berth in Port Newark, New Jersey, President Gleason, upon a general consensus in other ports as well and to avoid the disruption in the industry and within the union that can follow from individual actions of longshoremen from port to port, expressed a commonly accepted union policy not to handle Iranian vessels. The committee that I chair has since that time overseen the general and specific activities respecting Iranian cargo and has ruled in several instances in order to prevent hardship to shippers and receivers of goods.

I am personally unaware of any instances where locals or their members have sought to vary from that policy. To the contrary, they have encouraged the leadership to continue it and have refused in all cases, to my knowledge, to turn out to handle Iranian cargo. (See Article, *The Journal of Commerce, Exhibit 4* hereto). [Omitted]

6. Immediately following the Russian invasion of Afghanistan President Gleason and I received phone calls from every port from Maine to Texas. This included ports on the Great Lakes, where Russian vessels consist of approximately 85% of the work opportunity available to longshoremen there. Once again, the local delegates advised that the men wanted to take matters into their own hands and were vehemently opposed to servicing any Soviet vessels or cargo coming in to and from the United States. In all instances, they requested an affirmative position by the ILA not to work Russian cargo until the Soviets got out of Afghanistan. The substance of these continuing calls over the following two weeks, as constantly repeated and reinforced by the delegates and members, was that if the Russians were not stopped here and now, they will continue to go on to invade other helpless countries. The men felt that someone had to do something to prevent a repetition of what Germany did to Czechoslovakia just before World War II and what the Russians did to Hungary in 1956, when no one did anything to stand up and protest against what was happening to smaller, weaker countries in the face of overpowering aggressors. Shortly after President Carter threatened a ban against American participation in the Olympics to be held in Moscow, we received further calls from our constituents, later also expressed by Teddy Gleason, that it would be inconsistent to not allow our athletics who trained all their

lives to run and swim in the Olympics and yet to allow

the Russians to earn American dollars to support a system that feeds on aggression.

7. Notwithstanding the urgings of the delegates and members, Mr. Gleason held off for several days from announcing any far-reaching union policy on this subject, in order to ascertain for certain that this sentiment was truly as broad as it appeared. On the one hand, he did not want to have an uncontrollable situation of wildcat-type actions from port to port; on the other hand, if this indeed was the overwhelming feeling of the membership, then its leaders were obliged to give it expression. Mr. Gleason got in touch with all the International Vice Presidents and learned that the membership throughout the ILA's U.S. affiliates were in fact opposed to servicing the Soviets. The only exceptions were the Canadian locals, whose leaders stated that they would work Soviet vessels and cargo, and their wishes have been respected. In the meantime, several other unions and their membership were taking or considering taking similar action, both against Iran and the Soviet Union (see Article, *Washington Post*, January 8, 1980, *Exhibit 5* hereto). [Omitted]

8. The Executive Board of the ILA met on or about January 7 and 8, 1980, to discuss the situation. There was a unanimous consensus that if the ILA did not take a position wildcat actions would follow and, in any event, leaders had an obligation to back the membership. Accordingly, on January 9, 1980, President Gleason, acting on behalf of the Board and consistent with the advice of the ILA's Executive Council, its District and Local Officials and the membership, issued a statement, the text of which is set forth at paragraph 15(a) of the Complaint

and which is attached hereto as Exhibit 6. The statement precisely and accurately reflects what had occurred prior to that date as described above. Consistent with the statement, all cargo that had been in the process of loading or discharging, such as the S.S. Walton in Boston, was permitted to be worked until completion. All other cargo was permitted to be picked up by the shippers or forwarders for their further disposition. (See Articles in *Newsday* and *Chicago Tribune*, January 10, 1980, *Exhibits 7 & 8*). [Omitted]

9. The ILA's so-called directive applies to Russian ships and cargoes "in ports from Maine to Texas and in Puerto Rico where ILA workers are employed". It does not apply to the Canadian provinces, where several organic ILA affiliates are located. The ILA leadership has traditionally respected the autonomy and sentiments of its various affiliates, particularly in matters of personal conscience and where earning capacity is at stake. (See Article, *Montreal Gazette*, January 10, 1980, attached hereto as *Exhibit 9*). [Omitted] I wish to emphasize that at no time was it ever suggested to our Canadian brethren or to any other locals that there would ever be any reprisals if they handled Russian goods or ships. To the contrary, both I and President Gleason expressly made the point that no adverse action would be or should be taken against those locals or members who continued to handle the cargo to and from Russia. It is noted, incidentally, that in the period immediately following the issuance of President Gleason's statement, numerous letters were received from our Canadian members as well as from unaffiliated individuals throughout the country. These not only overwhelmingly expressed their approval for the ILA's action, but in several instances they forwarded money to help the longshoremen who were forfeiting a goodly portion of their income to follow through

on their feelings. (A sampling of this correspondence is set forth at *Exhibits 10-15* annexed hereto). [Omitted]

10. In the period following the directive, we did not receive any requests or pressure to change our policy except by the administration in the particular instance of loading of grain that had been already committed to the Soviet Union. What we did notice, however, was that ILA members and non-members around the country were refusing to handle Soviet ships and cargo, particularly on the Great Lakes. An example is the case of the Soviet vessel "Vasya Shiskowskiy", that went into the Port of Luddington, Michigan on April 27, where non-ILA personnel refused to handle the cargo. In another instance, pilots refused to move a vessel containing Soviet cargo bound for Burns Harbor, Indiana, another port heavily dependent on the U.S.-Russian trade.

11. The ILA and its members have never knowingly stopped others from dealing with Russian vessels and cargo. To the contrary. In the Port of New Orleans, a Russian line sponsors weekly sailings of up to 400 passengers consisting principally of Canadians and Russians and even with some American aboard. At no time have the ILA's locals in that port picketed or in any direct or indirect manner interfered with the operations of those vessels. Mr. McCleland, the ILA Vice President in that area, reports that he could not get his men to service those vessels. However, the line has successfully used its own personnel and even local cabdrivers to move the luggage and other materials on and off of the vessels which have sailed on schedule. No solicitations or pressures were brought upon any such persons to conform to the ILA's own practice in that port. Further, in the Ports of New York and

Baltimore, I and Mr. John Kopp, the International Vice President in Baltimore, were approached by representatives of March Shipping Company, an agent representing Soviet shipping interests, to get our men to load luggage aboard Soviet ships in July and September, 1980 from the passenger terminals in New York and Baltimore. I advised Captain Matto Bozovic that men in New York would not turn out to handle the luggage. At the same time, I advised him that he was at liberty to get his own personnel and to hire whomsoever he wished to handle the baggage and other cargo and that the ILA would not interfere. Mr. Kopp similarly advised him.

12. To the best of my knowledge, orders to service both Iranian and Russian ships and cargoes from and to those countries have been posted in local hiring halls when such work was available. The men have nevertheless refused to respond to those orders. In the Port of New York, for instance, where Guaranteed Annual Income Plan is in effect, they each lost a day's pay, amounting to approximately $80.00, for their failure to report. Furthermore, any men who would report, regardless of whether or not there was sufficient labor available to do the work, could avoid this debit or penalty. This has yet to occur, though no action would be taken against any man if he saw fit to report.

13. It is my understanding that this situation has been repeated in other ports, including the Port of Boston. (See Article, *The Baltimore Sun*, January 23, 1980, *Exhibit 16* attached). [Omitted] Though local ILA representatives have from time to time referred to the ILA directive of January 9, 1980, they have continued to act on their own initiatives consistent with the sentiments of the various

local memberships without any particular prodding or advice from the International's Officers in the New York headquarters. Consistent with the sentiments of the ILA representatives who contacted our headquarters prior to January 9, 1980 and since that time, the longshoremens' refusal to handle Russian goods and vessels and cargo is continuing and will continue until the Soviet Union withdraws its troops from Afghanistan and restores that country's independence and the human and civil rights of its inhabitants. If others, whether they be employers or unions, wish to follow the example of the ILA and other smaller and larger labor organizations in this country which have taken a similar stand, then that is their privilege; but the ILA has not and will not exert any pressure upon them to do so. We, of course, reserve our right to join with other labor movements in this country and throughout the free world in protesting and opposing the Soviet Union's destructive actions. (See Article, *The Boston Globe,* February 20, 1980, *Exhibit 17* attached). [Omitted]

/s/ JOHN BOWERS
JOHN BOWERS
Executive Vice President
International Longshoremen's
Association, AFL-CIO

Sworn to before me this
23rd day of May, 1980.

/s/ HERZL S. EISENSTADT
NOTARY PUBLIC

HERZL S. EISENSTADT
Notary Public, State of New York
No. 24-4514648
Qualified in Kings County
Commission Expires March 30, 1981